

**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

State Capitol, Room 113

Sacramento, CA

Minutes of Meeting

November 4, 2004

**COMMISSIONERS PRESENT**

Nancy E. McFadden, Chair  
Thomas Calderon  
Diane M. Griffiths  
Teresa P. Hughes  
Vicki Marti

**CMAC STAFF PRESENT**

J. Keith Berger, Executive Director  
Enid Barnes  
Theresa Bueno  
Paul Cerles  
Denise DeTrano  
Holland Golec  
Shivani Nath  
Steve Soto  
Michael Tagupa  
Karen Thalhammer

**COMMISSIONERS ABSENT**

Lynn Schenk  
Michael R. Yamaki

**EX-OFFICIO MEMBERS PRESENT**

Bob Sands, Department of Finance  
Sunni Burns, Department of Health Services

**I. Call to Order**

The November 4, 2004 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Chair Nancy E. McFadden. A quorum was present.

**II. Approval of Minutes**

The October 21, 2004 meeting minutes were approved as prepared by CMAC staff.

### **III. Executive Director's Report**

Mr. Berger reported that there were no new requests by hospitals or health plans to appear before the Commission in closed session at this time.

Mr. Berger informed the Commission that there are 20 amendments for action at today's closed session, and there are another 35 amendments that were noticed to the Commissioners yesterday for action at the November 18 meeting.

Mr. Berger noted that the Commission had scheduled a secondary meeting in case a quorum was not present at today's Commission meeting. Since a quorum was present, Mr. Berger requested that if the Commission is able to accomplish all necessary business today in closed session, Chair McFadden consider a motion to cancel the November 8 meeting when the Commission reconvenes in open session.

Mr. Berger took a moment to congratulate Sunni Burns on her promotion to Chief for the Medi-Cal Operations Division of the Department of Health Services. Mr. Berger then asked Ms. Burns if she could give the Commission a brief update on the Medi-Cal hospital financing meetings that have taken place.

Ms. Burns indicated that DHS and CMAC staff have been working on a more detailed set of operating documents (Operational Protocols). These items respond to issues and questions raised by the Centers for Medicare & Medicaid Services (CMS). CMS is wanting to know how the state's Certified Public Expenditures (CPE) system is going to work, how will budget neutrality be computed under the new waiver, how will the state define costs when the Office of Statewide Health Planning and Development (OSHPD) reports are used and what will that mean, and how will the Upper Payment Limit (UPL) be defined when there is a possibility that some beneficiaries would be moving to managed care.

Ms. Burns further indicated that there is a meeting today (November 4) at DHS with the hospital associations to go over the details of the Operational Protocol documents. The Operational Protocol documents will then be sent to CMS. CMAC and DHS will be meeting with CMS on Monday, November 8 in Baltimore.

Ms. Burns informed the Commission that there will be a subsequent meeting on November 15. She indicated Stan Rosenstein, DHS Deputy Director of Medical Care Services, Kimberly Belshé, Agency Secretary of Health and Human Services, and Sandra Shewry, DHS Director, will be going to Washington, D.C., to meet with CMS executive staff.

In response to Commissioner Griffiths' question about the impact on the Selective Provider Contracting Program (SPCP), Ms. Burns indicated that the likely difference is that current public SPCP contract hospitals may not be contracted facilities, but will be certifying their cost under the Certify Public Expenditures system (CPE). Private facilities will continue to have SPCP contracts. Mr. Berger commented that

many of the specifics regarding implementation and administration of proposed changes are still being worked out.

Mr. Berger informed the Commission that CMAC is working with OSHPD on scheduling its presentation on seismic safety issues for after the first of the year.

Mr. Berger introduced Mike Tagupa as CMAC's new Research Associate. He indicated that Mr. Tagupa comes from OSHPD and that he has many years experience working with OSHPD databases that CMAC has used in their analyses.

#### **IV. Medi-Cal Managed Care Activities**

Mr. Berger indicated that there are several amendments for action during today's closed session, and that there are an additional 20 amendments for the Managed Care Program for action at the next Commission meeting on November 18. He further noted that now that some of the rate related issues have been resolved, CMAC staff is continuing their work on the Sacramento Geographic Managed Care Program (GMC).

#### **V. New Business/Public Comments/Adjournment**

There being no further new business and no additional comments from the public, Chair Nancy E. McFadden recessed the open session. Chair McFadden opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Chair McFadden announced that the Commission had taken action on hospital and managed care contracts and amendments in closed session. A motion to cancel the November 8 meeting was made, all the Commissioners present agreed and the motion was approved. CMAC staff was instructed to notify the appropriate parties of the cancellation and to post a cancellation notice on CMAC's website. The open session was then adjourned.